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Toll Roads Could Fix America's State-Pension Crisis. Here's How.

There is an infrastructure crisis in America. The U.S. earned a D+ in infrastructure for 2017 from the American Society of Civil Engineers. State pensions aren't in great shape either. They are underfunded by an astounding $6 trillion. And as Barron's Randall Forsyth points out, U.S. states face a dilemma: they need to fund both infrastructure and pensions, but have trouble doing either.

Maybe America's neighbors to the north can teach it something about funding infrastructure projects. Friday, Canadian engineering & construction firm SNC-Lavalin (SNC.Canada) sold 10% of a toll road it owned to the Ontario Municipal Employee Retirement System for $2.4 billion.

SNC has fallen on hard times. It is embroiled in a bribery and kickback scandal that stretches back to 2015 and shares plunged 28% on Jan. 28 due to a problem in one of its mining projects. SNC stock has lost about 2% a year on average since news of the bribery scandal broke, about 7 percentage points worse than the Canadian TSX Composite Index.

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